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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/838,133	04/20/2001	David Verchere	56490.000004	9529

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EXAMINER

GARG, YOGESH C

ART UNIT	PAPER NUMBER
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3625

DATE MAILED: 04/28/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/838,133

Applicant(s)

VERCHERE, DAVID 

Examiner

Yogesh C Garg

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
 - If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
 - If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
 - Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 20 April 2001.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-20 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-20 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Information Disclosure Statement

1. The information disclosure statement (paper # 4) filed on 10/22/2001 (as recorded on the file wrapper) is not available in the file and hence could not be considered. Applicant is requested to submit the same along with his response to this Office action for consideration.

Claim Rejections - 35 USC § 101

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-20 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Claimed Invention(s) does not fall within the Technological Art.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the

term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter is statutory, not on whether the product of the claimed subject matter is statutory, not on whether the prior art which the claimed subject matter purports to replace is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. See *In re Toma* at 857. In *Toma*, the claimed invention was a computer program for translating a source human language

(e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, *State Street* never addressed the second part of the analysis, i. ., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

In the present application, Claims 1-20 have no connection to the technological arts. None of the steps indicates any connection to a computer or technology. The step and means

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for providing a database, separating product and process by supplying templates, linking item and process parameters and creating a product identifier, providing pricing parameters could be performed manually by people. Therefore, the claims are directed towards non-statutory subject matter. To overcome this rejection the Examiner recommends that Applicant amend the claims to better clarify which of the steps are being performed within the technological arts, such as incorporating/integrating a computer/software/hardware computer network or electronic network functionally with manipulative steps recited in the claims.

Claim Rejections - 35 USC § 102

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 1-7, 9-17, and 19-20 are rejected under 35 U.S.C. 102(e) as being anticipated by von Rosen et al. (US 6,493,677 B1), hereinafter, referred to as Rosen.

Regarding claim 1, Rosen discloses a method for configuring one or more products (see at least abstract) comprising the steps of:

providing a database containing product information (see at least Fig.3, " Product database 98", " Image database 100", and col.6, lines 50-67);

separating a product into at least an item and a process wherein one or more item parameters and one or more process parameters are identified (see at least col.5, lines 35-54, wherein the product is separated into a merchandise comprising bottles and labels to be applied on the bottles. The bottle corresponds to an item and label to be applied on the bottle corresponds to one or more process parameters which are identified while ordering a product. Also see FIGS. 8A-9B, wherein FIG.9B corresponds to the item that soda bottle with a flavor and FIGS.8 A-8C and 9C corresponds to the process parameters which when the soda bottle with a flavor is linked and combined with the labels ordered results into the final product as "Joe's Bottles" shown in Fig.8A) ;

linking item parameters and process parameters (see at least FIG.11 A which shows the order confirmation in order to supply the confirmed order complete with the branded merchandise and the graphic label with the graphic image. Also see col.10, line 43-col.11, line 4) ; and

creating a product identifier when the product is accessed (see at least FIG.8A, " Order Number. 11299Jo").

Regarding claim 2, Rosen discloses that the method of claim 1 wherein the step of separating the product further comprises the step of supplying an item template (see at least FIG.9B, which corresponds to supplying a template for an item, that is soda flavor) .

Regarding claim 3, Rosen discloses that the method of claim 1 wherein the step of separating the product further comprises the step of supplying a process template (see at least FIG.8A-9A and 9C corresponds to providing a process template wherein the process is designing the label with the image).

Regarding claim 4, Rosen teaches that the method of claim 2 wherein the step of separating the product further comprises the step of creating an item definition page based on the item template (see at least FIG.9 B, which corresponds to the soda flavor bottle definition page based on the item template).

Regarding claim 5, Rosen teaches that the method of claim 3 wherein the step of separating the product further comprises the step of creating a process definition page based on the process template (see at least FIG.9C, which corresponds to the soda flavor bottle label image definition page based on the process template).

Regarding claim 6, Rosen suggest that the method of claim 1 wherein a pricing algorithm assigns prices based on predetermined production specifications (see at least FIG.10B, wherein indicating the price for two cases and shipping & handling charges is assigned by a pricing algorithm).

Regarding claim 7, Rosen shows that the method of claim 1 wherein parameters comprise description information (see at least see at least Fig.3, " Product database 98", " Image database 100", and col.6, lines 50-67 which disclose that both product database 98 and image database 100 store descriptive information about products and images such as different types of flavor for sodas , see at least col.10, lines 10-18) .

Regarding claim 9, Rosen discloses that the method of claim 1 wherein parameters

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comprise pricing information (see at least FIG.9B and FIG.10B wherein prices for soda bottles are disclosed).

Regarding claim 10, Rosen discloses that the method of claim 1 wherein the step of creating a product identifier comprises dynamically creating the product identifier when the product is sourced, quoted or ordered (see at least FIG.8A, " Order Number. 11299Jo" which is created dynamically when the product is sourced, quoted or ordered.).

Regarding system claims 11-17, and 19-20 they are parallel to the method claims 1-7 and 9-10 and are therefore, analyzed and rejected based on same rationale.

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 8 and 18 are rejected under 35 U.S.C. 103(a) as being obvious over Rosen and further in view of Official Notice.

Regarding claim 8, Rosen discloses a method for configuring one or more products as analyzed and discussed in claim above. Rosen does not disclose that in claim 1 the parameters comprise quantity break pricing information. However, the examiner takes an Official Notice that both the concept and the benefits of quantity break pricing information are notoriously old and well-known in selling and buying transactions because a quantity break motivates the buyer to purchase more in quantity, as he saves money, and at the same time benefits the seller for

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accruing increased revenue and also profits. Therefore, in view of the Official Notice, it would have been obvious to a person of an ordinary skill in the art at the time of the applicant's invention to have modified Rosen to incorporate the concept of providing a quantity break pricing information while selling soda bottles, because a quantity break will motivate the buyer to purchase more in quantity, as he saves money, and at the same time will benefit the seller for accruing increased revenue and also profits.

Regarding system claim 18, it is parallel to the method claim 8 and is therefore, analyzed and rejected based on same rationale.

Conclusion

5. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

(i) US Patent 6,344,853 B1 to Knight discloses a method and a system to configure a product by linking a first image of an item with the second image of a process like by first selecting an item and then selecting a process of an imprinting a logo on the item (see at least col.3, line 1-col.4, line 27). Knight's invention can be used to render the limitations of claims 1-20 of the instant application obvious.

(ii) Derwent Account Number: 2001-089796 (US Patent 6,125,374) to Terry discloses a method having a database of pre-designed graphic templates for brand names, product names for constructing labels to be applied on packages (see at least abstract).

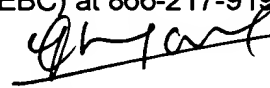
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(iii) Press, release, " Leed's and Littlearth Form Marketing Partnership; New Promotional Ideas Are " Licensed To thrill"; PR Newswire; New York; Jan 3, 2000 discloses designing and making of promotional products.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Yogesh C Garg whose telephone number is 703-306-0252. The examiner can normally be reached on M-F(8:30-4:00).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent A Millin can be reached on 703-308-1065. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Yogesh C Garg
Examiner
Art Unit 3625

YCG
April 25, 2004